

*In Re:* Louis & Sylvia Baioni )  
Ward 80, Block 23, Parcel L29 )  
Residential Property ) Shelby County  
Tax year 2005 )



Since the taxpayers seek to change the present valuation of the subject property, they have the burden of proof in this administrative proceeding. State Board Rule 0600-1-.11(1).

The record does seem to bear out Mr. Baioni's claim that 5851 Garden Oak Cove is the best available comparable. Further, the fact that the \$1,100,000 sale of that property happened almost three years prior to the January 1, 2005 reappraisal does diminish its evidentiary weight in the Assessor's favor. Yet, on the other hand, the proof does not satisfactorily establish that the more recent estate sale of 5851 Garden Oak Cove for a much lower price was an arm's-length transaction.

As for 5878 Garden Oak Cove, some downward adjustment of the 2004 sale price for that newer and more elaborate home must obviously be made. But it is axiomatic among appraisal practitioners that *cost* does not necessarily equal *value*. Even assuming the accuracy of the appellants' cost estimates, the administrative judge cannot legitimately infer from the evidence of record that the expenditures on the various embellishments built into that home increased its worth to an equivalent degree. Stated differently, the proof does not justify the conclusion that the subject house has been overvalued at about \$30.00 less per square foot than the sale price for #5878.

#### Order

It is, therefore, ORDERED that the following values be adopted for tax year 2005:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$280,700	\$780,900	\$1,061,600	\$265,400

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **"must be filed within thirty (30) days from the date the initial decision is sent."** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **"identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order"**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is

requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 27<sup>th</sup> day of April, 2006.



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PETE LOESCH  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

cc: Louis & Sylvia Baioni  
Tameaka Stanton-Riley, Appeals Manager, Shelby County Assessor's Office  
Rita Clark, Assessor of Property

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